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Consumer Federation of AmericaORIGINAL  
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December 18, 1992

Donna R. Searcy, Secretary  
Federal Communications Commission  
1919 M Street, N.W., Room 222  
Washington, DC 20554

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DEC 18 1992

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARYRe: Ex Parte MM Docket No. 92-260

Dear Ms. Searcy:

Attached please find the ex parte comments of the Consumer Federation of America for the above referenced Docket. In compliance with Commission rules, 5 copies of the ex parte comments are included with the attached original.

Sincerely,

  
Bradley Stillman  
Legislative Counsel

cc Mary Beth Richardson

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of )  
 )  
Implementation of the )  
Cable Television Consumer )  
Protection and Competition )  
Act of 1992 )  
 )  
Cable Home Wiring )

MM Docket No. 92-260

EX PARTE COMMENTS OF CONSUMER FEDERATION OF AMERICA<sup>1</sup>

1. Introduction and Summary

The primary goal of the 1992 Cable Act is to bring as much competition to the cable television market as possible, increasing consumer choice in all facets of the cable television market.<sup>2</sup> To that end, Consumer Federation of America (CFA) concurs in principle with the comments of Bell Atlantic in this docket. Specifically, CFA agrees with Bell Atlantic's assertion that cable company ownership of the wiring inside consumer's homes and the policy which deprives consumers ownership and unimpeded access to the wiring in their homes, acts as a significant impediment to competition in the installation and maintenance of cable home wiring and the delivery of broadband services.

The Commission can bring competition to the home wiring market

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<sup>1</sup>Consumer Federation of America is a coalition of more than 240 pro-consumer organizations from throughout the nation with a combined membership of over 50 million. CFA's primary goal is to represent the interests of consumers before the U.S. Congress and federal regulatory agencies.

<sup>2</sup>Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, 106 Stat. 1460 (1992). (hereinafter, the 1992 Cable Act).

by providing parallel terms and conditions for consumer ownership of inside wiring to those applied to local telephone companies.<sup>3</sup> This type of ownership structure, giving consumers the option to own their cable home wiring, will reduce service disruption and uncertainty for consumers. In addition, allowing consumers the option of cable home wiring ownership in the model of the local telephone companies, will permit consumers to hook up any new service they might wish to while reducing expenses and aggravation.

## 2. Cable Operators Bottleneck Control Over Broadband Access to the Home

The cable monopoly in practically every market in the country extends to broadband access to the homes of all subscribers. Not unlike the bottleneck control the local telephone companies maintain, cable companies' monopoly control of the sole broadband line into the home puts them in a position which can ultimately lead to abuse of consumers. Congress was concerned that if each competing broadband service is forced to make a new entry into the home, the combination of additional expenses both to competitors and consumers and the inconvenience of having several wires running into the home will act as a significant deterrent to the development of competition.<sup>4</sup> This would seem to be contrary to

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<sup>3</sup>See Detariffing the Installation and Maintenance of Inside Wiring, CC Dkt. No. 79-105, Second Report and Order at 2 (released Fed. 24, 1986); Detariffing the Installation and Maintenance of Inside Wiring, CC Dkt. No. 79-105, Mem. Op. and Order (released Nov. 21, 1986); Sections 68.104 and 68.213 Concerning Connection of Simple Inside Wiring to the Telephone Network, CC Dkt. No. 88-57, Report and Order (released June 6, 1990).

<sup>4</sup>The Senate Report specifically states that "...if a subscriber terminates cable service, these cable operators remove the wiring, often causing damage in the process." The report

both Congress's and the Commission's goal of promoting competition throughout all facets of the cable marketplace<sup>5</sup>, and particularly the inside home wiring market.

3. The Commission Should Apply Parallel Terms And Conditions To Cable Inside Wiring As Are Applied To Local Telephone Inside Wiring.

The legislative history of the 1992 Cable Act makes clear that Congress intended to treat cable home wiring under a similar regulatory scheme to the one applied to local telephone home wiring.<sup>6</sup> This will help bring both greater consumer choice and competition to this segment of the cable market, just as has been the case in the local telephone market.

Parallel rules to those applied to local telephone inside wiring<sup>7</sup> should be adopted with respect to the point at which the consumers control the wiring in their homes and guaranteed unrestricted access for all broadband multichannel video providers.

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continued, "...if a subscriber decides to terminate cable service and later reinstate it or seek service from a different cable company, the subscriber should not have to bear the cost and inconvenience of having new wiring installed." S. Rep. No. 138, 102d Cong., 1st Sess. 1, at 23(1991).

<sup>5</sup>Implementation of the Cable TV Consumer Protection and Competition Act of 1992, Cable Home Wiring, MM Dkt No. 92-260, NPRM at 2, n.6 (released Nov. 6, 1992). See also, 1992 Cable Act, 106 Stat. at 1463.

<sup>6</sup>"The FCC permits consumers to remove, replace, rearrange, or maintain telephone wiring inside the home even though it might be owned by the telephone company. The Committee thinks that this is a good policy and should be applied to cable." S. Rep. No. 138 at 23.

<sup>7</sup>Detariffing the Installation and Maintenance of Inside Wiring, CC Dkt No. 79-105, Mem. Op. and Order at 3, 20-21 (released Nov. 21, 1986).

Furthermore, consumers should not be forced to purchase existing cable inside wiring or to pay for the use of said wiring.

CFA joins Congress in urging that the Commission establish rules on inside home wiring maintenance and ownership. In addition, Commission rules should mandate that cable operators notify their subscribers about all options, rights and responsibilities regarding the control and ownership of inside home wiring.\*

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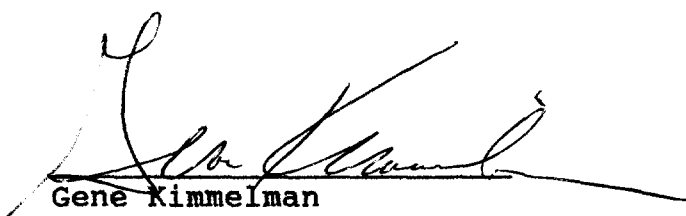
\*"The FCC should also require cable operators to describe clearly the options concerning home wiring maintenance." S. Rep. No. 138 at 23.

Conclusion

The Commission should bring competition and consumer choice to the inside cable wiring segment of the cable marketplace by adopting parallel rules regarding inside cable wire maintenance to the rules already applied to inside local telephone wire maintenance.

Respectfully submitted,

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December 16, 1992